

## **Minutes of the Finance Committee**

**Wednesday, August 17, 2011**

Chair Haukohl called the meeting to order at 8:30 a.m.

**Present:** Supervisors Pat Haukohl, Jim Heinrich, Pamela Meyer, and Dave Falstad.

**Absent:** Ted Rolfs, Rob Hutton, and Bill Zaborowski.

**Also Present:** Chief of Staff Mark Mader, Legislative Policy Advisor Sarah Spaeth, Labor Relations Manager Jim Richter, Administration Director Norm Cummings, Business Manager Lyndsay Johnson, Supervisor Duane Paulson, County Board Chair Jim Dwyer, Museum Executive Director Kirsten Villegas, Museum Board Chair Jim Lenahan, Risk/Purchasing Manager Laura Stauffer, Federated Library Director Tom Hennen, Budget Manager Keith Swartz, Budget Specialist Linda Witkowski, Principal Financial Projects Analyst Bob Ries, Criminal Justice Collaborating Council (CJCC) Coordinator Rebecca Luczaj, Architectural Services Manager Dennis Cerreta, Emergency Preparedness Director Rich Tuma, Financial Analyst Danielle Igielski, and Senior Financial Analysts Bill Duckwitz and Clara Daniels. Recorded by Mary Pedersen, County Board Office.

### **Approve Minutes of 7-20-11**

MOTION: Heinrich moved, second by Falstad to approve the minutes of July 20. Motion carried 4-0.

### **Schedule Next Meeting Dates**

- September 7

### **Chair's Executive Committee Report of 7-18-11**

Haukohl highlighted the following items from the last Executive Committee meeting.

- Approved the revised supervisory district plan which will come forward as an ordinance.
- Approved the resolution to move the Community Development and HOME programs to the Parks & Land Use Department.
- Reviewed the internal audit of the Dispatch Center. There were some minor recommendations with regards to advanced security and training; however in general, the center is operating well.
- Heard an update on Waukesha County Economic Development Corporation (WCEDC) activities whose main priority currently is retaining businesses.
- Approved the ordinance to ban artificial marijuana in Waukesha County. Approved four other ordinances, also on today's agenda
- Heard an update on information technology projects.
- Approved two appointments and heard standing committee reports.

### **Legislative Update by S. Spaeth**

Spaeth said Assembly Joint Resolution (AJR) 46, which has bipartisan support, basically eliminates unfunded mandates and will receive a public hearing on August 30. This would be a constitutional amendment meaning it would have to pass the legislature twice and then a referendum before it could become law. AJR 51 dictates that elections for district attorney, sheriff, register of deeds,

county clerk, treasurer, surveyor, and clerk of circuit courts be non-partisan. These elections would be held in spring as opposed to the fall. This would also require a constitutional amendment. Spaeth said she and Bussler met with Rep. Kapenga on his quality based service (QBS) proposals to explain why they would be detrimental to Waukesha County. She believes he will be receptive to the County's concerns.

**Ordinance 166-O-046: Ratification Of 2011 – 2012 Wisconsin Professional Police Association (WPPA) Collective Bargaining Agreement**

Richter discussed this ordinance which involves a 2% across-the-board increase effective 12-31-11. Due to recent changes in Wisconsin law, health benefits for protective employees covered by a collective bargaining agreement are no longer subject to bargaining. While these employees are exempt from retirement contribution requirements, they will be limited to the County Health Savings Account (HSA) plan. This change will save an estimated \$235,904 annually. The net fiscal savings of this ordinance including salary, retirement, social security, and the health plan change totals 0.03%. Staff were not successful in negotiating with the union to have them pay into their pension like other employees, therefore, the HSA was imposed as fiscal savings were necessary.

MOTION: Falstad moved, second by Heinrich to approve Ordinance 166-O-046. Motion carried 4-0.

**Ordinance 166-O-045: Approve 2011 And 2012 Salary And Benefit Modifications For Non-Represented Employees**

Cummings distributed copies of a revised fiscal note which shows the actual budget savings next year will be 3.14%.

Richter said effective 1-1-12, the health insurance premium cost sharing for full time employees and elected officials will be increased and tied to participation in the Health Risk Assessment (HRA) Program. Employees will be given three health insurance options including the current plan design. Richter advised that preventive services will be covered 100%, regardless of which plan they choose, due to new federal regulations. In Option 1 of the Choice Plus Health Plan, employees (including spouses) who participate in the HRA Program will pay 13% of the premium cost whereas those who do not participate will pay 15%. In Option 2 of the Choice Plus Health Plan, which includes higher deductibles, participation in the HRA results in a 10% premium cost sharing and non-participation results in a 13% premium cost sharing. The Health Savings Account (HSA) High Deductible Plan includes a 10% premium, no HRA requirement, and a County contribution into the HSA. All employees currently pay 10%. Efforts will be made to educate employees on the three plans. To answer Heinrich's question, Cummings said it is possible in the future that all employees will be restricted to the Health Savings Account (HSA) plan for their health care.

The health and dental insurance premium cost sharing for part time employees will be established with 50% of the costs paid by the County and 50% paid by the eligible employee. The maximum dental insurance benefit level in the fee for service plan will be \$1,250 per year for all employees except those represented by the WPPA union. An across-the-board increase of 1.6% will be applied to the 2010 non-represented salary ranges except for the classifications of Inspector, Deputy Inspector, Captain and Lieutenant, and a 2.0% will be applied to the 2011 non-represented salary ranges.

MOTION: Falstad moved, second by Heinrich to approve Ordinance 166-O-045. Motion carried 4-0.

### **Discuss Museum Infrastructure Analysis Consulting Study – Non-Departmental Funding for Phase One**

Cummings, Villegas, and Lenahan were present to discuss this item. Cummings said the County contract with the museum will end next year. The County is proposing the use of Non-departmental funds to analyze the building and determine how the museum will go forward and improve self-sufficiency. The \$19,500 will be allocated for the study which he believes is a good investment to obtain base information for other studies the museum will fund later. Villegas explained problems with the current building/floor plan from a study funded by donations and operational funds. For example, the final report of the courtroom restoration plan recommended that no money be spent restoring the courtroom until a full study of the entire building is conducted. Phase I of the study will recommend viable options which could affect the caliber of future exhibits. Lenahan noted that this study will provide the foundation from which they are going to build and grow. Cummings noted the other two phases of the study will be funded by the museum through fundraising efforts. To answer Heinrich's question, the study will look at the current building and up to two optional sites if the current site is not feasible. Lenahan said they are hoping they can remain at the current facility – there is a lot of emotion and investment in that building.

Dwyer had concerns due to the amount of County funds already spent on the museum. He was also concerned that we are funding the first phase with no guarantee the museum will be able to raise funds for the second two phases. Heinrich shared similar concerns. Cummings did not think the study should be delayed. Haukohl agreed with Cummings and felt this was long overdue. She said although we are facing tough budget times, this is a good investment and we need to determine the future relationship between the County and museum. Villegas indicated the total cost for the first phase of the study is \$130,000. They are requesting the County contribute \$19,500 and the \$110,500 will be privately raised through museum efforts. She is confident they will be successful in raising the necessary funding for the second two phases. Cummings advised that County Executive Vrakas does not recommend spending any additional County funds on the second two phases.

MOTION: Heinrich moved, second by Meyer to accept the recommendation to spend \$19,500 in County funds for the first phase of the study. Motion carried 4-0.

### **Claims Report for Six Months Ended**

Jatzak distributed copies of his report entitled "Waukesha County Worker's Compensation 2007-2011 Claims History Summary." By the end of the second quarter, 63 claims were opened, 42 remained open, and total incurred was \$451,595. Since 2007, 538 claims opened, 68 remained open, and the total incurred was \$4,313,463. Jatzak highlighted some of the larger claims that opened and closed.

Stauffer distributed copies of her report entitled "Waukesha County Claims History: 2007-2010." Regarding general liability claims, ten claims opened by the end of the second quarter of 2011, four remained open, and the total incurred was \$8,843. In the area of auto liability, 13 claims were opened, one remained open, and the total incurred was \$28,976. A total of 16 auto physical damage claims were opened, eight remained open, and \$58,778 was incurred. Seven property damage

claims were opened, six remained open, and the total incurred was \$33,861. Stauffer highlighted some of the larger claims that opened and closed.

MOTION: Falstad moved, second by Meyer to accept the claims report for six months ended. Motion carried 4-0.

**Ordinance 166-O-041: Authorize Gates Grant Funding For Computers At Butler Library Through The Federated Library System And Modify The 2011 Federated Library System Budget**

Hennen discussed this ordinance which involves accepting a \$2,750 grant to purchase computers for the Butler Community Library, the only library to qualify under Foundation guidelines. The Village of Butler will be responsible for the ongoing maintenance and support costs of these computers.

MOTION: Falstad moved, second by Meyer to approve Ordinance 166-O-041. Motion carried 4-0.

**Ordinance 166-O-042: Authorize Shared Automation For New Berlin And Menomonee Falls Grant For Federated Library System And Modify The 2011 Federated Library System Budget**

Hennen discussed this ordinance which involves accepting a \$40,000 grant: \$20,000 each to the New Berlin and Menomonee Falls libraries to cover a portion of the upfront costs associated with joining the CAFÉ (Computer Access for Everyone) shared automation system. Once implemented, the ongoing costs of participation in CAFÉ are planned to be recovered through the assessment of membership dues budgeted in the Federated Library's proposed new CAFÉ Shared Automation Fund.

MOTION: Heinrich moved, second by Meyer to approve Ordinance 166-O-042. Motion carried 4-0.

**Ordinance 166-O-043: Authorize Mobile Interfaces For Library Catalogs Grant For Federated Library System And Modify The 2011 Federated Library System Budget**

Hennen discussed this ordinance which involves accepting a \$2,600 grant to purchase software to enable cell phone and other mobile devices to access library catalogs. Meyer thought this was one way to help people use the library as gas prices continue to increase. Falstad thought it would help young people stay connected as well.

MOTION: Falstad moved, second by Heinrich to approve Ordinance 166-O-043. Motion carried 4-0.

**Contingency Fund Report for Six Months Ended**

The Contingency Fund balance as of 1-1-11 was \$1,200,000. One transfer from the account occurred since that time and that was to fund the County Clerk's State Supreme Court election recount. The current balance is \$1,074,800.

MOTION: Heinrich moved, second by Falstad to accept the Contingency Fund report for six months ended. Motion carried 4-0.

### **Special Revenue Funds Report for Six Months Ended**

Swartz discussed his report as outlined which included information on fund/agency, six months actuals for 2010 and 2011, total year 2010 actuals, total year 2011 estimates, 2011 modified budget figures, etc. Swartz indicated this report does not include Community Development Block Grant (CDBG) due to the proposed move to the Parks & Land Use Department and the director wanting to first review budget figures. Swartz said CDBG will continue to be included in future Special Revenue Funds reports. Also, Health & Human Services Funds – Mental Health Center Fund, Nutrition Fund, and Corporation Counsel – Child Support Agency Fund have moved to the General Fund. Swartz noted that contingency funds may be needed later this year for Transit Services. No major concerns were raised throughout the report.

MOTION: Falstad moved, second by Heinrich to accept the Special Revenue funds report for six months ended. Motion carried 4-0.

The committee recessed at 11:40 a.m. and reconvened at 12:40 p.m.

### **Capital Projects Report for Six Months Ended**

Witkowski discussed her report as outlined which included information on project title/department, current appropriations, expenditures, percent completion (design, bid, construction), balance, etc. No major concerns were raised throughout the report. Haukohl and staff praised Meyer for her contributions to the financials RFP.

MOTION: Meyer moved, second by Heinrich to accept the capital projects report for six months ended. Motion carried 4-0.

### **Investments Report for Six Months Ended**

Ries discussed his report as outlined which included information on investment yield and revenue, average daily balance, total County investment income and balances, total County average investment rates, investment portfolios by investment advisor and by investment type, and portfolio holdings as of 6-30-11. The total return for the quarter was up 59 basis points from the last quarter, to 1.16%. Total interest earnings for the quarter were \$2,074,133, up \$997,618 from the first quarter.

MOTION: Falstad moved, second by Heinrich to accept the investments report for six months ended. Motion carried 4-0.

### **Update on Alcohol Treatment Fees and Revenue Goals**

Luczaj distributed copies of “Alcohol Treatment Court Program Fee Revenue Summary: 2009-2012.” Actual revenues for 2011 (as of July 31) totals \$24,837 which is 83% of their 2011 revenue goal which Luczaj referred to as “great news.” For 2012, projected revenues total \$35,500 – only a slight increase over 2011 as fewer enrollments are anticipated. Program enrollment as of August 11, 2011 included 52 third OWI offenders and 17 fourth OWI offenders.

### **Ordinance 166-O-039: Modify And Reduce Health And Human Services Building – Capital Project #00200615**

Cerreta discussed this ordinance which involves moving \$2,000,000 from the Health & Human Services Office Building capital project 2014 plan to 2011. This will allow procurement of construction materials earlier than planned due to a favorable cost climate. This action and the

construction bid climate allow for the reduction in total project costs in this ordinance by \$500,000. Therefore, this ordinance modifies the 2011-2015 Capital Plan to reduce 2014 plan expenditures by a commensurate \$2,000,000 and reduce overall plan expenditures in the 2013 project year by \$500,000.

MOTION: Falstad moved, second by Meyer to approve Ordinance 166-O-039. Motion carried 4-0.

**Ordinance 166-O-044: Accept Homeland Security-Urban Area Security Initiative FY2009 Program Funding And Modify The Emergency Preparedness 2011 Budget To Appropriate Grant Revenues And Expenditures For Citizen Preparedness Activities**

Tuma reviewed this ordinance which involves accepting a \$200,000 grant to support the County's participation in the Milwaukee Urban Area Security Initiative. The purpose of the initiative is to enhance area capabilities to prevent, respond to, recover from, and mitigate against all-hazard emergency and disaster situations. The funds will pay for contracted assistance to coordinate training and outreach efforts, organization of Community Emergency Response Team training, development and maintenance of the informational website, and financial support to coordinate program activities for the Milwaukee, Ozaukee and Waukesha County areas.

Tuma indicated this is a 2009 grant that just opened up and will be the last time Southeast Wisconsin Citizens and Organizations Active in Disaster (COAD) Council grants will be made available. The purpose of the grant funds is to make this group self-sufficient. Once the grants cease, they should be able to raise money themselves and be non-tax dependent.

MOTION: Falstad moved, second by Heinrich to approve Ordinance 166-O-044. Motion carried 4-0.

**Future Agenda Items**

- Tour Courtroom with New Technology (Haukohl)

MOTION: Falstad moved, second by Meyer to adjourn at 2:11 p.m. Motion carried 4-0.

Respectfully submitted,

Pamela Meyer  
Secretary